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NOV 30 1953

MEMORANDUM FOR: Director of Central Intelligence

SUBJECT : Inspection of the Personnel Office

I. THE PROBLEM

To inspect the Personnel Office to determine its efficiency, and to examine the relationships between the Personnel Office and other offices of the Agency in handling personnel problems.

II. DISCUSSION

A. Method of Inspection: This inspection was conducted personally by the undersigned. The Director of Personnel was requested to have each of his Staff and Division Chiefs make a presentation describing the organization and functions of his unit and indicating the principal problems confronting him. Each office of the Agency (including DD/P Staffs and foreign Divisions) was asked to comment on the services rendered by the Personnel Office and to indicate the number of individuals in the office engaged in personnel work. (See Annex I.) The Personnel Office was asked to make an independent survey of personnel positions organizationally located outside the Personnel Office. (See Annex II.) The Agency regulations (including Clandestine Services Instructions) were studied for appropriateness and completeness. (See Annex III.) Personnel Office forms and standard forms shown to, or completed by, applicants and individuals entering on duty were reviewed. (See Annex IV.) A review was made of the information and instruction materials used in the direction of specialized recruitment (Annex V), of samples of correspondence to applicants and individuals in process for entrance on duty (Annex VI), and of the tests regularly used in connection with selection and placement activities of the Personnel Office (Annex VII). The undersigned utilized his personal experience and knowledge of the Agency Career Service Program as a basis for comments and recommendations in that regard. In addition, numerous discussions were held with a great number of individuals in the Agency of all grades; on personnel matters; and cases from the files of the Inspector General's Office were utilized.

In making this inspection several important considerations were borne in mind:

1. Trained personnel are this Agency's most valuable asset. A clandestine operation can be destroyed overnight as the result of any one of many circumstances beyond our control, but the availability of trained operators who can re-create such a network is all important. Similarly, a research analyst who is an expert on an area or subject and who is trained in the handling of intelligence information is a valuable asset and difficult to replace.

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2. In order to preserve this valuable asset, it is important that CIA have sound personnel policies implemented by an efficient Personnel Office, and an effective Career Service Program. While admittedly other factors are involved, it is nevertheless apparent that personnel management is more than a little to blame for the loss of the [redacted] employees who were terminated between 1 January and 30 June 1953. The security factor should also be noted in this regard, as 73% of those separated worked for the Agency for two years or less, 40% for one year or less and 23% for less than seven months. Of course, it should be noted that [redacted] or 55.9% of those leaving were grades GS-1 through GS-6.

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3. Inasmuch as one of the most frequent questions on administrative matters asked by the Bureau of the Budget and Congressional Appropriations Committees concerns the number of personnel officers on duty, it is important that this Agency be as close as possible to the rest of the Federal Government, taking into consideration, of course, that in many respects our personnel problems are quite different from those of other departments or agencies of the Federal Government.

4. It is necessary that there be clear-cut delineation between the responsibilities of the Personnel Office and those of the operating offices in personnel matters.

B. Organization: At the start of this inspection the Personnel Office was organized into six divisions and four staffs. Before the completion of the survey, the Office was reorganized into six divisions and two staffs. This reorganization was in the nature of combining and centralizing certain of the functions and should result in an improvement of the services rendered by the Office.

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[redacted]

*Estimated (see II. A. 3., below)

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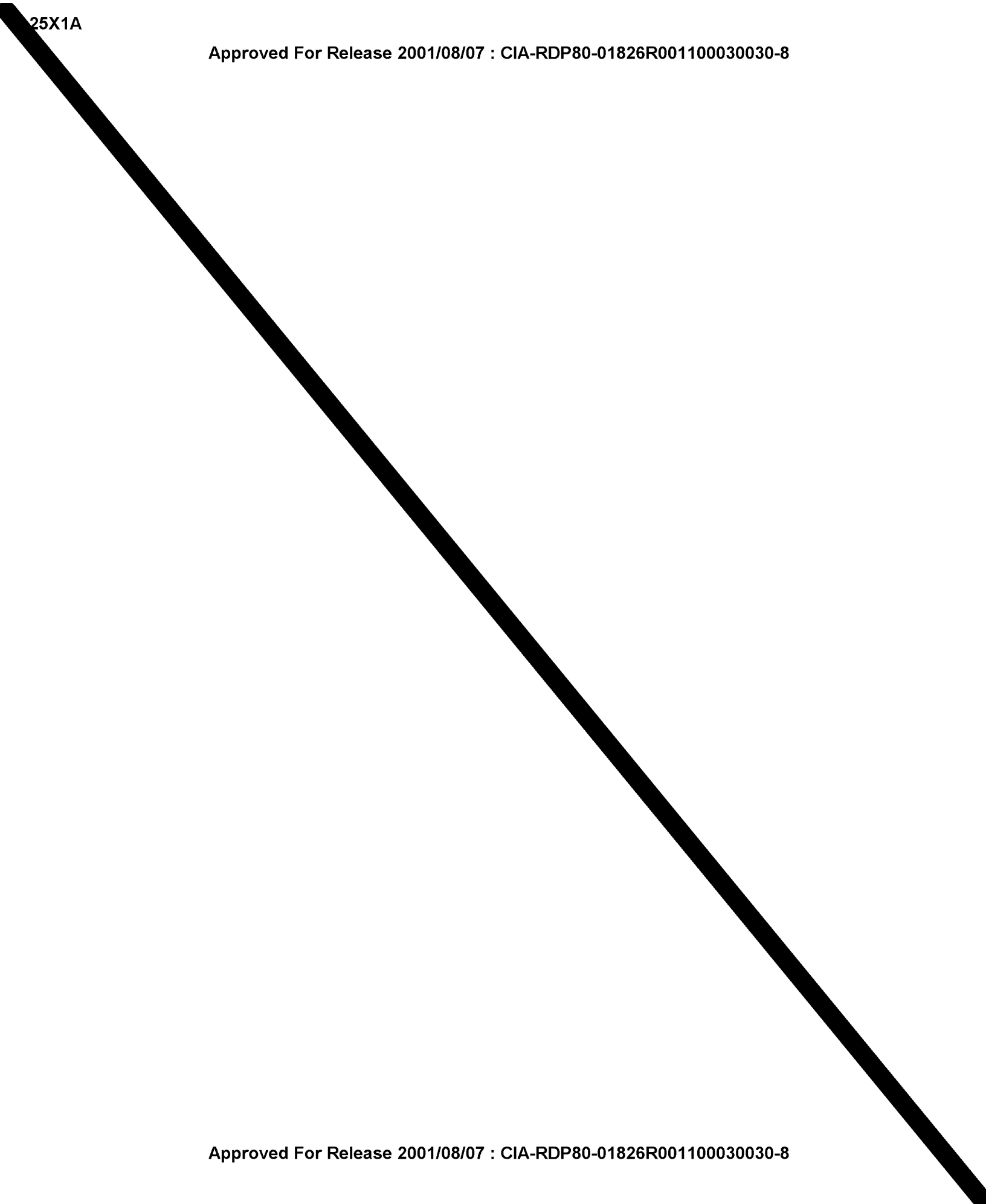

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governing Agency contracts for personal services and certain other special contracts required in support of covert operations; drafting and preparing such contracts in cooperation with the Office of the General Counsel; establishing special allowances and differentials which may be granted in lieu of standardized allowances and differentials; and being the central office of record of the Agency for all such contracts, allowances and differentials and reviewing such documents periodically, making changes as may be desirable or required by local conditions; and the complete processing of all personnel actions involving staff agents."

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This staff has contracts on approximately [redacted] individuals of which only about [redacted] are field agents. Actually this may be as little as one-tenth of the number of individuals (excluding those in proprietary projects) compensated by the Agency. Steps are being taken currently to obtain records on all individuals compensated by the Agency. This should be followed by constant policing on the part of the Personnel Office to insure that proper contractual relations exist with all non-staff personnel compensated by the Agency.

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4. Personnel Procurement Division has a T/O of [redacted] with [redacted] on duty and two in process. The functions of this Division are: "...personnel procurement services including planning, coordinating and directing programs for developing, locating and drawing upon sources of personnel to keep the Agency adequately staffed; participates in the development of over-all personnel policies, procedures, standards and regulations; maintains effective relationships with other components of the Personnel Office and operating officials to be continually informed of current and anticipated personnel requirements and of current requisitions for personnel."

[redacted]

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IBM cards are maintained on all applicants. These cards number about [redacted] of which about 10% are qualified applicants.

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There are 60 formalized requisitions for professional personnel at the present time--three from the DD/P area, 43 from DD/I, and 14 from DD/A.

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25X9 5. Placement and Utilization Division has a T/O of [redacted] with [redacted] on duty and four in process. The functions of this Division are: "...initial personnel selection and in-service assignment; participates in the development of over-all personnel policies, procedures, standards and regulations; assists and advises operating officials concerning personnel utilization and development including assignment, rotation, evaluation and promotion; reviews and approves personnel actions in conformance with Agency policies and regulations; codes applicant files for which there exists no immediate requirement."

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25X9 6. Processing and Records Division has a T/O of [redacted] with [redacted] on duty and 8 in process. The functions of the Division are: "...processing official personnel actions and maintaining official records of Agency personnel activities including personnel actions, correspondence, applicant and employee files; participates in the development of over-all personnel policies, procedures, standards and regulations; also responsible for processing personnel for overseas assignment and on return from such assignment."

25X9 7. Classification and Wage Division has a T/O of [redacted] and
25X9 [redacted] on duty. (The five on duty over the T/O are trainees. Classification has a high turnover with individuals going to other personnel-type jobs in the Agency.) The function of this Division is: "...position classification and wage administration; participates in the development of over-all personnel policies, procedures, standards and regulations, allocates Agency and National Security Council positions, develops classification standards and qualification requirements, performs wage administration activities governing all departmental and field positions;
25X1A and provides evaluation services and guidance pertaining to salaries [redacted]

Organizational changes have been so extensive in the past three years that job audits by this Division have not been completed for all jobs in the Agency. Under DD/A all offices have been covered except Logistics; two Divisions of OSI have been surveyed, ORR is now being covered, and all other DD/I offices are completed; while under DD/P the Registry, TSS and some of the
25X1A Area Divisions have been covered. Classification advises on administrative plans for [redacted] projects.

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8. Military Personnel Division has a T/O of [redacted] military and one civilian). Actually there are [redacted] military on duty in the Division but this number is being reduced to [redacted] The functions of this Division are: "...providing service in the procurement, assignment, administration and disposition of military personnel detailed to the Agency from military departments of the Department of Defense; participates in the development of over-all personnel policies, procedures, standards and regulations; conducts necessary liaison with appropriate components of the Department of Defense; and prepares and maintains the necessary records pertaining to Military personnel."

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The problem in handling military personnel in the Agency, in its simplest terms, is one of insuring that they are properly placed and receive the same considerations as they would if serving with their parent service. It should be noted that the Agency T/O calls for some [redacted] military (of which about [redacted] are on duty) of which about half are Army and a quarter each Air Force and Navy.

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[redacted]

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9. Employee Services Division has a T/O of [redacted] on duty. The functions of this Division are: "...providing a comprehensive personnel relations and services program; participates in the development of over-all personnel policies, procedures, standards and regulations; provides personnel counseling, housing, welfare and financial services and operates a comprehensive insurance program for Agency personnel."

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C. Recruiting - Personnel Procurement: The most widely heard complaint heard throughout the Agency is that the recruitment of clerical personnel is neither adequate nor timely. This is significant because of the field recruitment staff, [redacted] (as of 9 June 1953) were engaged in recruiting clerical personnel.

A review of the procedures used by the Personnel Office in recruiting clerical personnel indicates that they are going about this in a sound and systematic manner. High schools and secretarial schools are being systematically canvassed. But the length of time for clearances, plus the definite lack of attractions in Washington for single girls, has made it impossible for the Personnel Office ever to catch up with the Agency demand for clerical personnel.

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As of 9 June 1953, there were about [redacted] clerical vacancies in the Agency and [redacted] were in process to fill the vacancies. Because of

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the 35% loss of in-process applicants, and the normal attrition of clerical personnel--which averaged 50 a month for the first six months of 1953--this will not solve the problem.

There has been some trouble created in the Agency by incorrect statements of recruiters. This is particularly true concerning statements made about the possibilities of overseas assignments--too many clerical employees have been brought in with the hope of an early overseas assignment. Also, girls with college degrees have been recruited for clerical assignments apparently in the belief that advancement to professional assignment would be both possible and rapid, which is not the case. Further, there has been insufficient effort by the recruiters to deglamorize the Agency so that the clerical recruit is properly conditioned for work generally just as commonplace as that in any other government Agency, except that it happens to be in CIA.

The Personnel Office has taken steps to correct mis-statements by recruiters. Another advance has been in the development of statements for applicants to read and sign indicating that they understand the conditions under which they are being considered for employment by the CIA.

Recruitment of personnel to assume positions under cover overseas is not satisfactory. The failure in this respect is not exclusively one of the Personnel Office, but is Agency-wide. Better procedures should be worked out between the Personnel Office, the Security Office and the operating offices. Actually, a large proportion of the responsibility for the failure in this respect must be assumed by the operating offices which too often do not have a career plan worked out for an individual prior to recruitment. The result is that an individual may be identified with CIA prior to ever entering on duty and thus jeopardize all future cover assignments.

One of the problems which has arisen as a result of poor recruiting techniques has been a too rapid turnover of personnel, particularly in the clerical ranks. It would appear that the principal cause of this has been failure to correctly ascertain the intentions of applicants regarding how long they expected to stay with the Agency. It should be recognized, of course, that applicants, especially females, may not be willing to state their long-term intentions when matrimony and motherhood are among the considerations. It is also true that the pressure from within to fill the clerical shortages may have pushed the recruiters into accepting individuals who otherwise should have been excluded.

It is obviously to the advantage of the Agency to recruit only individuals who indicate an intention of remaining several years at least.

It is believed that there is considerable room for improvement in the method of rejecting applicants who for one reason or another are not employed by the Agency. This should be exclusively a function of the Personnel Office. In the past, several components--operating, security and personnel--have become involved in cases of rejections of applicants.

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D. Processing: The major weakness in this area is not exclusively a fault of the Personnel Office. The handling of personnel folders is very poor and exposes the Agency to possible criticism. At the present time there are folders on personnel maintained not only by the Personnel Office but also by Offices, Divisions and Branches. Further, there is inadequate control over the folders released by the Personnel Office with the result that these folders are seen by unauthorized individuals and kept out for unwarranted periods of time. There are even indications that items may be removed from folders. This whole procedure not only is inefficient but eliminates any confidential aspect of the personnel folders.

In addition, there is no standard system for maintaining the personnel folders with the result that it is difficult and time-consuming for a supervisor to review a file. Not only should the folders be properly and uniformly organized, but the folders should contain all data pertaining to the individual's personality traits, competence and qualifications. A supervisor will search in vain for these items in most personnel folders. It has been the experience of this Office in reviewing Personnel files that very few contain the Personal History Statement, and only one has contained the Personnel Qualifications Questionnaire which was completed by all personnel on duty as of (approximately) August 1952. Both of these forms contain much of this data and would be very helpful.

There are some evidences of delay in processing applicants. This is apparent in: getting recruitment requests to the Personnel Procurement Division; acting on applicants once their papers have been received; between the Personnel Office and the Security Office both on submission and completion of security checks; between the Personnel Office and the obtaining office in entering an employee on duty.

It is possible that most of the delays in processing are not the result of a poor system, but rather are from overburdening the machinery. Now that the Agency has reached its full growth--at least for the present--the system should work swiftly and smoothly if manned by conscientious and competent personnel. It is the duty of the head of the Office of Personnel to see that it is so manned.

A specific criticism also indicates that employees entering on duty are not sufficiently apprised in advance of what to expect with regard to such matters as transportation of dependents, per diem during training and when they can go overseas.

The misinformation given to applicants and persons entering on duty has been largely corrected by action taken by the Personnel Office in briefing its recruiters and in preparing forms to be signed by applicants before processing. Errors of this nature still occur, however, through incorrect statements made by supervisors and others outside the Personnel Office who interview applicants. This can be corrected by adherence to the Agency regulations on the part of the supervisors and closer supervision of these interviews by Personnel officers.

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There is also evidence that on occasion employees report to their offices without the office being aware of the extent of the on-duty processing such as: degree of security clearance, polygraph test, medical clearances, etc.

Personnel management also commences during the processing of employees entering on duty. It is stated that the processing is so impersonal as to start the employee in the Agency with an unfavorable impression.

The Central Processing Section is criticized on the basis that it is not sufficiently familiar with all of the details of foreign travel.

E. Placement: The most serious placement problem is with clerical personnel. There is considerable objection to the policy of not permitting offices to interview clerical employees before assignment. It is advanced that there would be a lower rate of turnover of clerical employees if the acquiring office was permitted to interview the employee in advance and explain the type of work, working conditions, promotion possibilities, etc.

There is a question as to the value of the follow-up interviews conducted by the Personnel Office to determine whether an employee has been correctly placed. It is suggested that these might be better performed by the office concerned.

The placement officers are not sufficiently familiar with the job qualifications required for open positions in their area. In addition, placement officers should know the views of the supervisor concerned on the type of individual desired.

F. Classification: The Agency classification problem is one that varies widely. There is no major classification problem in basic research offices, but the classification problem will increase proportionately as the functions of the office deviate from the normal government pattern. Thus, the completely clandestine offices are faced with the most difficult classification problem.

There has been constant friction in the Agency over the classification system. On the one hand, the Personnel Office has been adhering as closely as possible to the standards of the Classification Acts. This has been in accordance with the Agency's announced policy of adhering to Civil Service standards where possible. On the other hand, some offices would prefer a classification system more flexible than that permitted under the Civil Service standards.

G. Personnel Management:

1. Attitude toward personnel: The impersonal treatment of both applicants and employees by the Personnel Office is one of its greatest weaknesses. Obviously, there have been many instances when this has not been true, but a glance at the Office

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comments (Annex I) will indicate that this failing is the one most often mentioned. The belief is that in an Agency as specialized and important as the CIA there should be a large degree of personalized handling of personnel. This should extend through every phase of employee-Agency relationship from application through placement, training, promotion, transfer, etc., to termination by resignation or retirement.

There is much room for improvement in the handling of personnel appeals.

a. Appeals for reassignment should be given adequate care and attention to insure that the employee feels his case has been handled to the best ability of the Agency. If the reassignment is effected the employee is usually satisfied, but there should be prompt follow-up (60-90 days) to insure that both employee and supervisor are satisfied. If reassignment is not effected, the employee should feel that a thorough canvas has been made and that there are no job openings for which he is qualified. He should also feel that if a job opening materializes he will be considered and should understand his priority for consideration.

b. Appeals for financial assistance have never been handled satisfactorily from a personnel management viewpoint. This is not exclusively the fault of the Personnel Office, although it should have taken a more aggressive attitude toward correcting this weakness. Part of the fault lay in the system. In some instances hardship cases went to the Comptroller (in his role as head of the Credit Union); in other instances to the General Counsel who was asked to search for a legal method of assistance; and probably in most instances hardship cases were stopped by low-level supervisors who felt the Agency would be of no assistance. The establishment of a welfare foundation to aid employees will assist in solving most legitimate hardship cases.

c. Appeals to the Bureau of Employees' Compensation have been handled with a lack of background and imagination. In fairness it probably could also be said that the BEC does not take a very forward-looking attitude on most cases, certainly nothing comparable to what would be taken by private industry.

d. The Medical Office also plays a part in the Agency's personnel management. In accordance with the policy of preventative medicine (i.e., helping to maintain the good health of Agency employees and cutting down on absenteeism due to sick leave), the Medical Office offers clinical assistance to employees hurt or taken ill while on duty. Generally speaking, the reaction to the service rendered

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by the Medical Office is in direct proportion to the grade of the employee--the higher level getting prompt, courteous treatment, the lower level less so. Obviously, impartial treatment should be the rule as well as an effort to encourage employees to take their legitimate aches and pains to the Medical Office. Complete confidence in the Medical Office is not only a fundamental part of good personnel management, but will build morale and promote work efficiency.

e. Very few supervisors, from Branch level up, appreciate the importance of personnel management. This is reflected in their attitude toward the personnel in their units and is further indicated by the volume of personnel relations cases reaching the Personnel Office and the Inspector General.

2. Promotions: There is definite need for an over-all Agency policy on promotions which at the same time will provide sufficient flexibility to allow rapid promotion based on merit and yet will be sufficiently standardized so that all offices are operating on the same basis. The Personnel Office is currently working on such a regulation.

In formulating a new promotion policy due consideration should be given to competitive promotions. With an established ceiling on the Agency, the freedom in promotions allowed by large unfilled T/Os is gone. Further, as Agency personnel practice improves and the Career Service Program is developed, the turn-over of personnel, particularly in the higher grades, should lessen. Consequently, there will be fewer and fewer promotion possibilities open as more and more of the higher T/O slots are filled. To prevent all higher T/O slots from being filled, to insure the continuance of the essential policy of promoting from within wherever possible, and to guarantee that morale is not adversely affected by a feeling that promotion possibilities are limited, full consideration should be given to a competitive promotion system.

3. Rotation and Reassignment: The present Agency method for handling rotation and reassignment is neither effective nor efficient. An employee who desires to change jobs either because of dissatisfaction with the current assignment or to broaden his experience can take any one of the following steps:

a. Go to the Personnel Office and ask for a reassignment. The Personnel Office then "shops" the file. A "shopped" file is usually regarded with suspicion. If the employee is valuable, his supervisor will insist upon a replacement before release. If he is not, the supervisor may be less than accurate in evaluating the employee's performance in order to get rid of him.

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b. Go to the office Career Service Board and ask for a transfer. This usually results in "reassignment by negotiation" and once again the quality of the employee will affect the ease of the transfer.

c. Go to friends in other offices and seek a new assignment in that fashion.

Actually, none of the steps enumerated are satisfactory for professional personnel. Step a. is one that should always be used for clerical personnel. Step b. is one that should work for professional personnel if there was a proper approach to the "rotation" problem. Step c. is probably the most effective method currently.

Long-term career planning will solve much of the rotation and reassignment problem (see G.).

One of the greatest faults, if not the greatest, is the reassignment of employees returning from overseas. Actually, placement is an incorrect term to use for the action currently taking place. With the exception of high-grade employees, returnees find themselves in a position of shopping for a job. This is partly the responsibility of the Personnel Office but more directly the responsibility of the DD/P offices and staffs.

Returnees from overseas should know prior to leaving for Washington what their assignment will be in headquarters. They should be notified of the assignment as long as a year, and not less than 90 days, prior to return and told what steps they should take should they wish to appeal the assignment. Further, returnees should be afforded interviews with their desk officers and branch chiefs upon return, should be able to turn to a specific individual in Personnel for assistance in administrative matters, should be formally debriefed, and women should be specially interviewed by a high-level woman in Personnel.

4. Efficiency Ratings and Personnel Evaluation Reports: Periodic analysis of the effectiveness of an employee's work is essential to sound personnel management. It is essential that these evaluation reports be accurate and fair and be discussed with the employee concerned. Such has not been the general rule throughout the Agency. Too many of the supervisors are unwilling to face the unpleasant task of telling an employee about mediocre or unsatisfactory performance. Taking the easy way out, they give too high evaluations, thus making more difficult the problem of terminating poor employees. There should be much more attention paid to Personnel Evaluation Reports by all supervisors, and supervisors should be held responsible for incorrect reports. No transfer should be permitted until the employee's supervisor has signed a PER on the employee, discussed it with the employee, and the gaining supervisor has also read and signed the PER.

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5. Termination: There appears to be no problem concerned with the processing of employees for termination.

The two problems relating to termination are: too many employees are leaving the Agency because they are dissatisfied with their jobs; it is too difficult to terminate unsatisfactory employees. The attrition of employees will be cut only by development of a sound personnel relations program and a Career Service Program.

Termination of unsatisfactory employees can be accomplished smoothly only with appropriate use of personnel evaluation reports. At the present time too many employees are leaving the Agency with ill will engendered by poor personnel management.

6. Employee Benefits: Steps are currently being taken to broaden the program of employee benefits. This is highly desirable.

a. the group hospitalization program has finally been expanded to cover all employees;

b. several forms of life and accident insurance are now available and as a result of the work of an Insurance Task Force set up under the Career Service Board, there should shortly be even broader coverage at less cost;

c. the Personnel Office can improve its work in pushing claims of employees with the Bureau of Employees' Compensation --an educational program is probably necessary to show BEC some of the conditions affecting employees peculiar to the CIA. (A statistical analysis shows that in fiscal year 1953 the Agency presented 39 cases to the BEC; of these 26 were approved, seven were rejected, and 6 are still pending;

d. A policy should be made and procedures established for the handling of benefits to the wives or families of both staff and contract-type personnel who are reported missing in the line of duty.

7. Military Personnel: CIA's use of military personnel leaves much to be desired, both from the Agency's viewpoint and that of the military. There has been a tendency throughout the Agency to regard the military services as a "personnel" bank. This has resulted in using military personnel in jobs for which they were not qualified and in which they were dissatisfied. Further, military personnel were utilized in jobs which civilians could perform, thus violating the spirit if not the letter of the CIA agreement with the Department of Defense. The result is that nearly 50% of all military personnel are leaving the Agency with a poor opinion of the organization, and rather than acting as good-will ambassadors for CIA in the military services, are bearers of poor reports concerning the Agency.

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It is obviously important both from CIA's viewpoint and that of the military services that there be a careful utilization of a number of qualified military personnel. But this utilization should be based on the following premises:

a. that the jobs in which military personnel are placed preferably are those requiring military background and talents, or at the minimum are those done equally well by civilian or military personnel;

b. that the military personnel assigned to the Agency should be composed primarily of those individuals designated to make intelligence a career;

c. that assignment to CIA be known in the military services as an aid to career advancement and one requiring the highest qualifications;

d. that supervisors of units having military personnel are specially briefed on the proper use and supervision of military personnel;

It should be recognized, of course, that in a predominantly civilian organization such as CIA, it will be impossible to completely eliminate all friction between military personnel and civilians. However, with a proper attitude on the part of all supervisors it will be possible to eventually win over most military personnel assigned to the Agency as good-will ambassadors.

8. Women in the Agency: There is no question but that the Agency has neglected the problem of assisting women to make a career of Agency work. This is sufficiently indicated by the fact that there are 39.2% women in the Agency and yet there is no woman in the super grades, no woman is a GS-15, and only seven out of [redacted] GS-14s are women, and 35 out of [redacted] GS-13s are women. 25X9 25X9

A women's panel has been established under the Career Service Board to study this problem. Careful consideration should be given to these recommendations in order to improve the possibilities for women to make careers in CIA.

Basically, the following factors have affected the careers of women in CIA;

a. a tendency on the part of the Personnel Office to regard women applicants as potential clerical rather than professional employees regardless of whether they possessed a college degree or not;

b. there is an inherent prejudice on the part of male supervisors--not peculiar to the CIA--against advancing women to positions of authority;

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c. The Personnel Office has not watched out for the interests of women, and there has been no other constituted authority to do so.

9. Career Service Program: An inspection of the Personnel Office must take into consideration the career service program. In simplest terms, the career service program was organized to develop methods to encourage employees to make a career with CIA. In theory, the career service boards should devise policy and methods; the Personnel Office should implement them. In practice, the career service program has served to dissipate responsibility for personnel management from both the Personnel Office and supervisors by becoming involved in personnel operations.

To put it bluntly, there would have been no reason for the establishment of a career service system had the Personnel Office and the supervisors been properly discharging their responsibilities for personnel management. There is no question but that since its creation the Personnel Office has taken a more alert and aggressive attitude toward many of the problems of personnel management. But the present career service program puts a severe drain on the time of the executive personnel in the Agency and is not producing commensurate results.

A separate report from the undersigned as Chairman of the CIA Career Service Board will make recommendations on the career service system.

III. CONCLUSIONS

A. Generally speaking, the Personnel Office has performed a satisfactory job of personnel processing. Its recruitment efforts in the clerical field have been commendable, despite some weaknesses in promises made to applicants, and probably ranks with the best in the government. Recruitment of professional personnel by the Personnel Office has not been as well done. This can be attributed to lack of close coordination with the operating offices; a natural tendency on the part of the operating offices to try to recruit for themselves in the professional ranks; and the inherent unattractiveness of government employment for high grade professionals.

B. There have been divided responsibilities in the handling of personnel problems which have resulted in inefficient management. Elimination of these divided responsibilities can result in economy in use of manpower. These divided responsibilities have been:

1. Duplication of personnel files at all levels, particularly on the division and branch level.

2. Employees occupying personnel slots in the offices and divisions are duplicating work which is the responsibility of the Personnel Office.

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3. Responsibility for personnel management is now split between the operating offices and the Personnel Office.

4. The responsibility for personnel management is further dissipated by the Career Service Boards.

C. The individuals handling personnel matters in the Agency are not sufficiently familiar with the problems and peculiarities of the Agency. This is particularly true in the DD/P area where operational considerations and security are paramount. This will become increasingly important as the bulk of mechanical personnel work shifts from staff to agent-type action, an inevitable result of the action stabilizing the size of the Agency at its present strength.

D. There is no question but that a classification system is required. It is also agreed that the Civil Service wage scale is acceptable. What is required is perhaps a classification system tailored exclusively to the requirements of the CIA. There is also need for greater imagination in the application of the system ans sufficient flexibility to permit mobility to meet changing situations.

For example, it is perfectly reasonable to establish a standard T/O for each and every Agency component and installation. The T/O of the [redacted]station might include the following: one GS-16, three GS-15s, four GS-14s, etc. A situation might arise when from an intelligence [redacted] point of view it would be necessary to send to [redacted] three GS-16s and seven GS-15s and, in fact, to have as many as double the number of persons there as are on the regular T/O. Obviously, the slots from which these persons were drawn would be left open. This should be made possible and easy to achieve.

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As a corollary, an individual should not have to sacrifice his grade if it is in the interests of the Agency to assign him to a position slotted at a lower grade. If the reassignment is made because the individual cannot hold a job of a higher grade, then there should be a demotion action.

E. It is high time this Agency reached maturity in recruiting for cover assignments. The basic cover plan for each project should include precise steps for the establishment of the cover for each of the individuals in the project. No recruitment should be started until this cover plan has been drawn up and approved.

F. Processing for overseas travel is obviously best performed centrally in view of the amount of travel by Agency personnel and the multiplicity of forms required. There are indications that Central Processing can improve its service and reduce the amount of work required of travellers and their offices. The processing of returnees from overseas can also be improved.

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G. Personnel authority is assumed at several levels of the Agency and is not properly centralized. This can be attributed both to cumbersome procedures and to the complications added by Career Service Boards. Full personnel authority should reside in the supervisors. The Personnel Office should see that all supervisors are thoroughly cognizant with all personnel regulations. Personnel actions should be simplified and streamlined to the greatest possible extent. Termination or demotion actions should be taken only by office directors acting together with the Personnel Director.

H. The relationship between the Personnel Office and other offices of the Agency is not sufficiently close. As a result, there is some confusion in nearly all phases of personnel work--recruiting, placement, classification and personnel management. It would appear that most of those difficulties could be overcome by having one individual in the Personnel Office assigned the responsibility for being the focal point for each office's personnel problems. This individual should have close rapport with the Chief or Assistant Director and Administrative Personnel Officer of the office to which assigned, should attend the appropriate Career Service Board meetings and should be able to get action from all Personnel Office components. One individual from the Personnel Office could probably handle several offices.

Those individuals from the Personnel Office who are assigned to the individual offices should be thoroughly trained in the work of the office to which assigned. Thus, one sent to the DD/P offices should take appropriate training courses, and those to the DD/I offices should avail themselves of intelligence courses. These courses will not only give them speaking acquaintance with the trade of their office, but will give an insight into the type of individual best qualified to ply the trade. Further, the officers assigned should thoroughly familiarize themselves with every position in their office.

I. Relations between the Personnel Office and the Medical and Security Offices are good, and there is every indication of close and timely coordination between these three offices, as there should be. However, a weakness does exist in that on occasion the Security and Medical Offices become deeply involved in personnel actions and usurp--probably accidentally and unintentionally--the action of the Personnel Office by discussing an employee's medical or security disqualifications with him. It would save the Agency trouble if all personnel actions were discussed with employees or applicants only by the Personnel Office. This would keep the Medical and Security Offices--in this particular aspect of personnel relations--in their correct role of purely fact-finding and serve to preserve their anonymity. It would lessen debate between employee or applicant and the Agency over Medical or Security findings inasmuch as the Personnel Director could safeguard the information. Further, it is the correct and appropriate function of the Personnel Director.

IV. RECOMMENDATIONS

A. Recruiting:

1. A personnel officer (either from the Personnel Office or the [illegible] should be present at every supervisor's interview

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with a potential employee, not only to brief the supervisor as to what to say, but also to prevent any allegations by applicants as to presumed promises. It is further suggested that the Personnel Office prepare a sheet of instructions that can be placed in front of the supervisors during such interviews indicating what should and should not be said to the applicant.

2. Every applicant should be advised, and should sign a statement indicating that he has been so advised, that in order to qualify for a career in CIA the Agency expects him/her to serve wherever it is deemed in the best interest of the service--with personal considerations being given full consideration.

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[redacted]

4. In view of the ceiling placed on the Agency and the fact that there are now only limited professional vacancies, it is recommended that the Personnel Office stop all professional recruiting except by specific direction from the operating office. It is further recommended that the specific direction from the operating office be not by general category of individual desired, but where possible by specific names of individuals to be approached either for recruitment or for leads for recruitment. It is further suggested that a cost analysis be made periodically of the efforts for professional recruitment to insure it does not become prohibitively expensive.

5. A review should be made to determine whether the practice

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[redacted]

6. Applicants should be advised of rejections only by the Personnel Office and reasons for rejection should be confined as much as possible to "there is no place in CIA for you at this time".

B. Placement:

1. For a six-month period it is suggested that the Personnel Office adopt the policy of allowing acquiring offices to interview clerical employees before assignment, and that assignment be made after such interviews only if mutually acceptable. At the end of a six-month period an analysis should be made to determine whether this system reduces the rate of turnover of clerical employees.

2. The DD/P, as a matter of priority, should immediately notify every staff employee overseas of his or her next assignment.

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3. Employees returning from overseas should be processed with the same degree of thoroughness as applicants entering on duty, including: a discussion with an individual in their unit not lower than Branch Chief; an interview with an Administrative Officer to assist in relocation; debriefing by Training or Operations; a review of their future with a Career Service Officer.

C. Promotion:

A new over-all Agency promotion policy should be developed including a system of competitive promotions.

D. Organization:

1. An Assistant Director for Personnel should be appointed as soon as possible and given full authority to see that the personnel policies of the Agency are carried out.

2. A job audit should be made on every individual in the Agency located organizationally outside the Personnel Office who engages in any percentage of time on personnel work, and a determination made as to whether that work should or should not be performed outside the Personnel Office. It is further recommended that after this audit has been completed for the Agency, a statement or regulation be prepared, carefully delineating those functions to be performed outside the Personnel Office from those performed by the office itself.

3. If recommendation D.2.(above) is implemented, it is suggested that all slots eliminated as a result of this survey, whether from the Personnel Office or operating components, be placed in the Director's reserve pool. This recommendation is based on the conviction that if the offices are allowed to keep these slots they will be utilized in existing operations or projects with no appreciable saving to the Agency in manpower or efficiency, but that if they are placed in the Director's reserve pool the slots can be reallocated for new and urgent projects.

4. Each office should have a personnel officer charged with all aspects of personnel management. These officers should be trained in personnel matters, either selected by or with the concurrence of the Personnel Office, and should be in close and constant contact with the Personnel Office, working together with that office as a team.

5. Only two individuals in the Agency should be authorized to advise an employee of a Personnel Action--the employee's immediate superior and the Personnel Director. The employee should be allowed the right of appeal from an unfavorable action (termination, demotion, unwanted transfer) first to his immediate superior, next to the Personnel Office, and finally to the Inspector General --in that order--but discussion directly with the Security and Medical Offices should be discouraged.

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E. Processing:

1. Each employee entering on duty should be given a form indicating all processing and initial indoctrination he is to go through. This form should be carried by the employee until he completes this phase. It should be prepared jointly by the Personnel Office, Medical Office, Security Office, and Office of Training.

2. It is recommended that only the Personnel Office be permitted to keep personnel files, that these files be much more closely held than in the past, and made available only to the level of Branch Chief and above; that all individuals allowed to review a personnel file be required to sign a record sheet so that there will be a permanent record of all individuals who have had access to the information in the files; that the files be allowed out of the Personnel Office only for limited periods of time in each instance (i.e., 24-48 hours); and that offices be permitted to keep only PERs (Personnel Evaluation Reports) and ERCs (Employee Record Cards) for information on their employees.

3. A personnel relations or training officer should explain to new employees who enter on duty something about the processing, the Agency, etc., to render the initial processing less impersonal.

4. The Central Processing Unit should develop procedures for foreign travel that place the absolute minimum of work on the individual or the operating component.

F. Military:

1. A survey should be made of all jobs held by military personnel to determine whether the function is best performed by military or civilian.

2. Supervisors with military personnel under their jurisdiction should be carefully briefed on the handling of military personnel, with particular reference to the necessity for strict impartiality between civilians and military and for having the military return to their services as good-will ambassadors.

G. Personnel Management:

1. Immediate steps should be taken to insure the operation of a system of realistic Personnel Evaluation Reports or Efficiency Reports. These steps should include:

a. education of all supervisors on the role of the PER and its importance for sound personnel management;

b. policing by the Personnel Office to insure that accurate PERs are executed on each employee periodically and discussed with the employee.

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2. Training should develop additional courses for supervisors and executives stressing personnel management. These courses should be compulsory for all supervisors from the level of Branch Chief up.

3. The Assistant Director for Personnel should take steps to insure that the Personnel Office exists solely to be of service to other components of the Agency in personnel matters, and that its accomplishments be viewed in that light.

4. The Assistant Director of Personnel should be advised to take immediate action to canvas the Agency for individuals possessing some operating experience--on both the DD/P and DD/I sides--who are otherwise qualified for regular or rotational assignment to executive positions within the Personnel Office. The introduction of executive level personnel within the Office of Personnel who have experienced phases of the operational life of the Agency is a needed catalyst in order to join together properly the Agency's personnel needs, management and understanding of problems.

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Lyman B. Kirkpatrick
Inspector General

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ANNEXES TO PERSONNEL STUDY (On file in Office of Inspector General)

I. Comments by all offices of CIA (including DD/P Staffs and Area Divisions) on the Personnel Office and personnel problems.

II. Report of personnel positions organizationally located outside the Personnel Office (7 July 1953).

III. Agency Regulations (including Clandestine Service Instructions) on Personnel matters.

IV. Personnel Office forms and standard forms shown to, or completed by, applicants and individuals entering on duty.

V. Information and instruction materials used in the direction of specialized recruitment (23 July 1953).

VI. Sample of correspondence to applicants and individuals in process for entrance on duty.

VII. Test Batteries (specimen set)--tests regularly used in connection with selection and placement activities of the Personnel Office.

25X1A VIII. Survey Report on Personnel Procurement Division, Office of Personnel, prepared by [redacted] (30 April 1953).

IX. Material on Personnel files.

X. Personnel Office reorganization chart.

XI. Personnel Office T/O and Budget.

XII. Biographical sketches of principal officers of the Personnel Office.

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MEMORANDUM FOR: [redacted]

BY HAND

Please look this over + at our next session bring with you + let's discuss progress + further action.

cpc
DDCI

14 mar.
(DATE)

J.S. Lay Jr.

FORM NO. 10-101 JAN 1952 (47)

MEMORANDUM FOR:

DCI

Recommend that after you read you send to me for supervision of implementation. I believe recommendations are sound.

cpc
DDCI

(DATE)

Noted by DCI and handed by him to IG.

5 Dec

FORM NO. 10-101 JAN 1952 (47)

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